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Vishwa B. Link McGUIREWOODS

July 2, 2018

VIA ELECTRONIC DELIVERY

Joel H. Peck, Clerk
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State Corporation Commission
1300 East Main Street
Tyler Building – 1st Floor
Richmond, VA 23219

Application of Virginia Electric and Power Company
For approval and certification of electric transmission facilities:
Haymarket 230 kV Double Circuit Transmission Line and 230-34.5 kV Haymarket Substation
Case No. PUE-2015-00107

Dear Mr. Peck:

Enclosed for filing in the above-captioned proceeding, please find an original and fifteen (15) copies of Virginia Electric and Power Company's Request to Participate in the Pilot Program Established by Enactment Clause 2 of the Grid Transformation and Security Act of 2018.

Please do not hesitate to call if you have any questions in regard to the enclosed.

Best regards,

Vishwa R Link

Enc.

cc:

Hon. Glenn P. Richardson, Hearing Examiner

David J. DePippo, Esq. Sarah R. Bennett, Esq.

Service List

COMMONWEALTH OF VIRIGNIA STATE CORPORATION COMMISSION

APPLICATION OF)	
VIRGINIA ELECTRIC AND POWER COMPANY)))	Case No. PUE-2015-00107
For approval and certification of electric)	
transmission facilities: Haymarket 230 kV)	
Double Circuit Transmission Line and)	
230-34.5 kV Haymarket Substation		

REQUEST TO PARTICIPATE IN THE PILOT PROGRAM ESTABLISHED BY ENACTMENT CLAUSE 2 OF THE GRID TRANSFORMATION AND SECURITY ACT OF 2018

Pursuant to Enactment Clause 2 of the Grid Transformation and Security Act of 2018 (the "GTSA"), Chapter 296 of the 2018 Virginia Acts of Assembly, Virginia Electric and Power Company ("Dominion Energy Virginia" or the "Company") hereby requests to participate in the pilot program for the construction of qualifying electrical transmission lines of 230 kilovolts ("kV") or less (but greater than 69 kV) in whole or in part underground (the "Written Request"). Specifically, the Company requests approval of the proposed Haymarket 230 kV double circuit transmission line and 230-34.5 kV Haymarket Substation (collectively, the "Haymarket Project" or "Project") as a qualifying project under to Section 2 of Enactment Clause 2 of the GTSA. In support of the Written Request, the Company respectfully shows as follows:

Written Request

1. Dominion Energy Virginia is a public service corporation organized under the laws of the Commonwealth of Virginia furnishing electric service to the public within its Virginia service territory. The Company also furnishes electric service to the public in portions of North Carolina. Dominion Energy Virginia's electric system, consisting of facilities for generation, transmission, and distribution of electric energy, is interconnected with the electric

systems of neighboring utilities, and is a part of the interconnected network of electric systems serving the continental United States. Because of its operation in two states and its interconnections with other utilities, the Company is engaged in interstate commerce.

- 2. On November 6, 2015, Dominion Energy Virginia filed with the State Corporation Commission of Virginia (the "Commission") an application for a certificate of public convenience and necessity for the proposed Haymarket Project.
- After a litigated hearing, the Commission entered its Interim Order on April 6,
 2017, and its Final Order on June 23, 2017. In these orders, the Commission found that the
 Project is needed.
- 4. On July 14, 2017, the Commission issued its Order Granting Reconsideration in this matter in response to separate requests filed by the Coalition to Protect Prince William County (the "Coalition") and Somerset Crossing Homeowners Association, Inc. ("Somerset"). On December 6, 2017, the Commission issued its Order Remanding for Further Proceedings.
- 5. As of December 31, 2017, the Haymarket Project was pending final approval of a certificate of public convenience and necessity from the Commission.
- 6. On May 7, 2018, the Hearing Examiner issued the Report on Remand of Glenn P. Richardson. The Hearing Examiner found that the Project "continues to be needed 'to serve the significant load growth projected in the Haymarket Load Area."
- 7. On June 12, 2018, the Commission issued its Order on Remand. The Commission found that the Haymarket Project "continues to be needed to provide reasonably adequate service in the Haymarket Load Area for the reasons set forth in the Report on Remand and in the Commission's Interim Order dated April 6, 2017."

- 8. During its 2018 Session, the Virginia General Assembly passed the GTSA.

 Enactment Clause No. 2 of the GTSA establishes a pilot program "to further the understanding of underground electric transmission lines in regard to electric reliability, construction methods and related cost and timeline estimating, and the probability of meeting such projections" (the "Pilot Program"). The Pilot Program consists of "a total of two qualifying electrical transmission line projects, constructed in whole or in part underground, as specified and set forth in this act."
- 9. Section 2 of Enactment Clause 2 ("Section 2") specifically identifies one of the two qualifying projects for the Pilot Program:
 - §2. Notwithstanding any other law to the contrary, as a part of the pilot program established pursuant to this act, the State Corporation Commission shall approve as a qualifying project a transmission line of 230 kilovolts or less that is pending final approval of a certificate of public convenience and necessity from the State Corporation Commission as of December 31, 2017, for the construction of an electrical transmission line approximately 5.3 miles in length utilizing both overhead and underground transmission facilities, of which the underground portion shall be approximately 3.1 miles in length, which has been previously proposed for construction within or immediately adjacent to the right-of-way of an interstate highway. Once the State Corporation Commission has affirmed the project need through an order, the project shall be constructed in part underground, and the underground portion shall consist of a double circuit.

The State Corporation Commission shall approve such underground construction within 30 days of receipt of the written request of the public utility to participate in the pilot program pursuant to this section. The State Corporation Commission shall not require the submission of additional technical and cost analyses as a condition of its approval but may request such analyses for its review. The State Corporation Commission shall approve the underground construction of one contiguous segment of the transmission line that is approximately 3.1 miles in length that was previously proposed for construction within or immediately adjacent to the right-of-way of the interstate highway, for which, by resolution, the locality has indicated general community support. The remainder of the construction for

the transmission line shall be aboveground. The Commission shall not be required to perform any further analysis as to the impacts of this route, including environmental impacts or impacts upon historical resources.

The electric utility may proceed to acquire right-of-way and take such other actions as it deems appropriate in furtherance of the construction of the approved transmission line, including acquiring the cables necessary for the underground installation.

- Program. Specifically, as the Commission recognized in its Order on Remand, "the above statutory language appears to fit the description of the I-66 Hybrid Route." A map of the I-66 Hybrid Route is included as Attachment A. As the record in this matter and this map demonstrate, the Haymarket Project: is an electrical transmission line approximately 5.3 miles long; has both overhead and underground transmission facilities, including an underground portion that is approximately 3.1 miles in length; and was previously proposed for construction within or immediately adjacent to the right-of-way of an interstate highway (*i.e.*, I-66). As Attachment A shows further, the I-66 Hybrid Route includes the variations described in the Remand Direct Testimony of Jon M. Berkin filed by the Company on January 5, 2018.
- Regarding the Haymarket Project (the "Stipulation"), the route shown in Attachment A, with its noted variations including Variations 1 and 2 at the western end of the route shown on page 7 of Attachment A, is submitted for approval subject to final engineering and with approval to make minor adjustments to the route as may be necessary based on coordination with Virginia Department of Transportation ("VDOT") and based on a good faith effort to further reasonably minimize adverse impacts to property owners and developers.² For clarity, the Company has

¹ Order on Remand at 8.

² Ex. 50 (Stipulation), ¶ 6.

created <u>Attachment B</u>, which only shows the route that is submitted for approval with Variations 1 and 2 and omits the originally submitted I-66 Hybrid Route configurations.

- 12. Following the passage of the GTSA and the execution of the Stipulation, the Company has been working with its engineers, underground contractors, and experts, as well as VDOT and local property owners and developers, to determine ways to further minimize adverse impacts and improve constructability as the final design for the Project is being developed. This work has yielded additional potential variations to the I-66 Hybrid Route that need to be explored further with VDOT and affected property owners.
- Based on the progress to date in the final engineering process and given the complex procedural history of the Project, as part of the Company's request for approval of the Haymarket Project along the I-66 Hybrid Route, the Company requests approval to implement potential variations to the route within certain corridors along the I-66 Hybrid Route, in order to avoid any further construction delays to the Project.³ The Company has identified five corridors ("Variation Corridors A through E" or the "Variation Corridors") as shown on Attachment B that are all within the scope of the property owner notice provided by the Company in this proceeding. The Company believes that having the flexibility to make engineering and impact minimization variations in these identified corridors is important to the timely and efficient implementation of this Project because of (i) the high level of coordination needed with VDOT based on the location of the I-66 Hybrid Route within or immediately adjacent to I-66, as well as other VDOT roadways near the western end of the route (e.g., Route 15 or US-15), 4 and (ii) the

³ The Commission has approved the use of corridors to afford project proponents the necessary flexibility to adjust project routes for engineering and impact minimization issues. See, e.g., Application of Appalachian Power Company, For approval and certification of the Bland Area Improvements – 138 kV Transmission Line Rebuild Project Under Title 56 of the Code of Virginia, PUE-2015-00090, Final Order (June 7, 2016).

⁴ See also the Commission's Final Order in Case No. PUE-2011-00113 where the Commission granted the Company flexibility to locate a segment of the Proposed Route within an alternative (the "Veazey Alteration") because it was within the scope of the notice for the proceeding. Application of Virginia Electric and Power

current state of development and large number of property owners in proximity to these roadways and the proposed I-66 Hybrid Route. This is particularly true for the underground portion of the Project, for which engineering, soil condition assessments, and existing subsurface utility locating activities are ongoing. Allowing for flexibility in the Variation Corridors may allow the Company to implement construction methods in line with the stated goals of the Pilot Program and to make changes where feasible to maximize the separation from and/or reduce the impact to private property, including dwellings. Additional variations under consideration, including those that might utilize horizontal directional drilling ("HDD"), also may allow the Company reduce impacts to environmental resources, such as impacts to wetlands and trees.

- 14. Specifically, the Company is proposing Variations Corridors A through E to address the following issues that have arisen or could arise during the final engineering process:
 - Variation Corridor A (page 3 of <u>Attachment B</u>): Variation Corridor A measures 0.18 mile in length and extends between mileposts 2.05 and milepost 2.23 of the I-66 Hybrid Route. The portion of the transmission line within Variation Corridor A will cross I-66 overhead and then enter the proposed transition station. This proposed variation is needed to ensure that the Company can meet the minimum VDOT wire crossing clearance over I-66 once the location of the transition station is finalized. Specifically, this variation is needed to allow the Company to minimize the height of the poles on both sides of I-66 while maintaining the

Company, For a certificate of public convenience and necessity in King George County: Dahlgren 230 kV double circuit transmission line and 230-34.5 kV Dahlgren Substation, Case No. PUE-2011-00113, 2012 S.C.C. Ann. Rept. 319, Final Order (Oct. 4, 2012). The Veazey Alteration was up to 1,150 feet from the proposed route and had the potential for collocation with U.S. Highway 301. While the Commission specifically granted approval to use the Veazey Alteration, it did not further condition its approval on the ability for the Company to gain the right to collocate structures on VDOT right-of-way based on concerns that this condition might delay construction. Id. at 322. The situation here is analogous to the case in Dahlgren where significant flexibility was granted to the Company to work with VDOT and landowners on final routing of a new transmission line in order to prevent delay of construction.

- VDOT-required clearance; crossing I-66 at a perpendicular instead of a diagonal would decrease the span length and help to minimize the overall structure heights.
- Variation Corridor B (pages 4 and 5 of Attachment B): Variation Corridor B measures 0.57 mile in length and extends between mileposts 2.78 and milepost 3.35 of the I-66 Hybrid Route. The portion of the route within Variation Corridor B will be installed underground through a combination of HDD and open trenching. This proposed variation will allow flexibility in the design process to take advantage of HDD technology in combination with long cross-linked polyethylene ("XLPE") cable lengths recommended by the underground contractors. Altering the alignment under I-66 and increasing the length of the HDD in Variation Corridor B, potentially eliminates (i) the need for some tree clearing and open trench construction; (ii) two splicing vaults (one in each circuit) on the north side of the I-66 section of the proposed route; and, (iii) the launching and receiving excavation pits that are required to jack and bore under Catharpin Road.
- Variation Corridor C (pages 5 and 6 of Attachment B): Variation Corridor C measures 0.13 mile in length and extends between mileposts 3.80 and milepost 3.92 of the I-66 Hybrid Route. The portion of the route within Variation Corridor C will be installed underground through open trenching. Variation Corridor C encompasses an extremely narrow area with known underground utilities as well as overhead utility structures, guys, and anchors. In addition, VDOT has inflow/outflow drainage culverts and infrastructure in this area that will need to be avoided. Flexibility in Variation Corridor C will permit adjustments to the

- underground lines to avoid the utilities and drainage pipes in this area and to facilitate construction of the duct banks.
- Variation Corridor D (pages 6 and 7 of Attachment B): Variation Corridor D measures 0.58 mile in length and extends between mileposts 4.08 and milepost 4.66 of the I-66 Hybrid Route. The portion of the route within D will be installed underground through a combination of HDD and open trenching. Similar to Variation Corridor B. Variation Corridor D will allow flexibility in the design to take advantage of HDD technology in combination with longer XLPE cable lengths. Adjusting the alignment under I-66 and increasing the length of the HDD across this area could eliminate impacts to the proposed development in the southeast corner of I-66 and US-15. In addition, relocating the underground lines within Variation Corridor D could shift the lines out of a wetland area, eliminate two splicing vaults (one on each circuit), eliminate open trench construction along the I-66 ramp, minimize the removal of the buffer of trees along the interstate, and eliminate the need for a separate VDOT permit for crossing Route 15 and the associated launching and receiving excavation pits. Finally, allowing for a shifts in the alignment of the route along Variation Corridor D could also eliminate the risk of potential damage to a developer's soon-to-be-constructed parking lot and drainage culverts.
- Variation Corridor E (pages 6 and 7 of <u>Attachment B</u>): Variation Corridor E measures 0.25 mile in length and extends between mileposts 4.66 and milepost
 4.91 of the I-66 Hybrid Route. The portion of the route within Variation Corridor E will be installed underground through open trenching. The shift of the

alignment within Variation Corridor E will allow the Company to avoid having to construct the transmission line within a deep ravine and side slope between the VDOT right-of-way and the Walmart store. This will allow for the possibility of constructing one or both circuits out of this deep area and within the asphalt drive behind the Walmart store. This adjustment could ease construction and reduce the potential conflicts with VDOT drainage culverts and slope stabilization in this area.

15. The Company has shared this Written Request, including the Variation Corridors, with the Commission Staff, the Coalition, Somerset, FST Properties, LLC ("FST"), Old Dominion Electric Cooperative ("ODEC"), and Southview 66, LLC ("Southview 66"). Staff has represented to the Company that it does not oppose the Written Request. The Coalition has represented to the Company that it supports the Written Request for the pilot program and supports the variations as proposed, which would mitigate impacts of the transmission line. Somerset has represented to the Company that it consents to the Written Request. ODEC has represented to the Company that it neither supports nor opposes the Written Request. Southview 66 has represented to the Company that it takes no position on the request.

Conclusion

In summary, the Commission has affirmed the need for the Haymarket Project through its Order on Remand. The Company now submits this Written Request to participate in the Pilot Program. Dominion Energy Virginia respectfully requests that the Commission:

(a) approve the Company's participation in the proposed Pilot Program in accordance with Enactment 2 of the GTSA;

(b) issue a certificate of public convenience and necessity for construction of the Haymarket Project using the I-66 Hybrid Route as set forth in Attachments A and B, including Variations 1 and 2, subject to final engineering and with approval to adjust the route within Variation Corridors A through E as required by VDOT and as appropriate based on a good faith effort to reasonably minimize adverse impacts to property owners and developers, increase construction efficiencies and decrease further construction delays; and,

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(c) grant such other and further relief as it deems just and proper.

Respectfully submitted,

VIRGINIA ELECTRIC AND POWER COMPANY

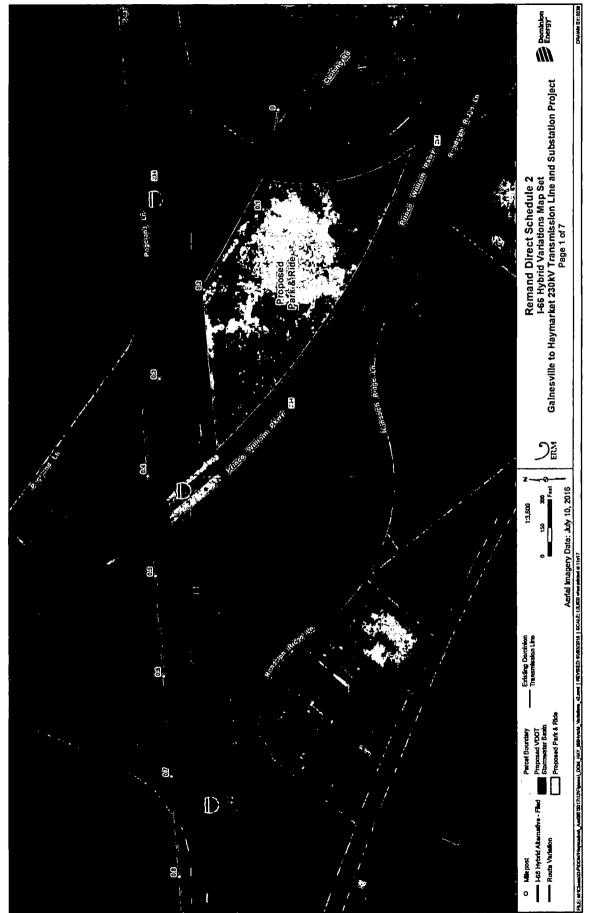
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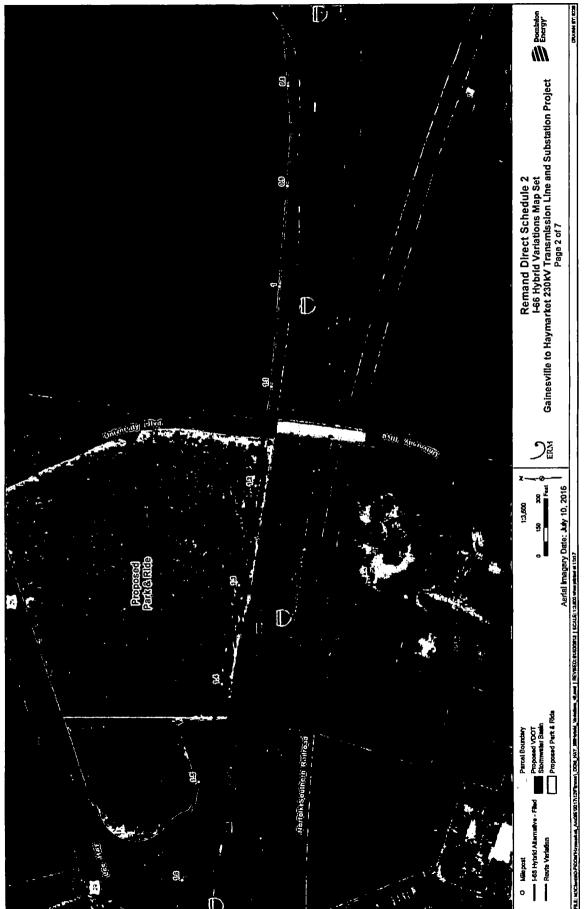
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Counsel for Virginia Electric and Power Company

July 2, 2018

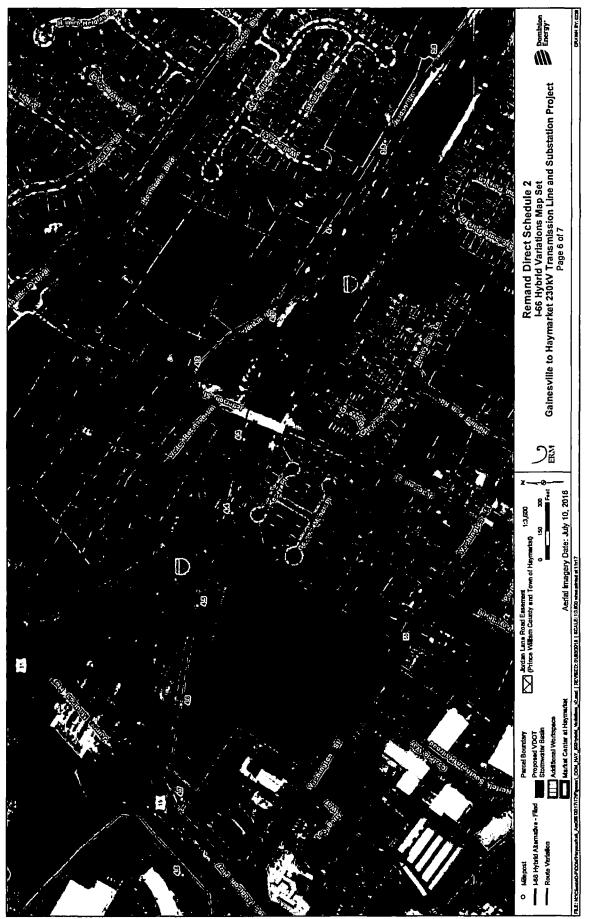


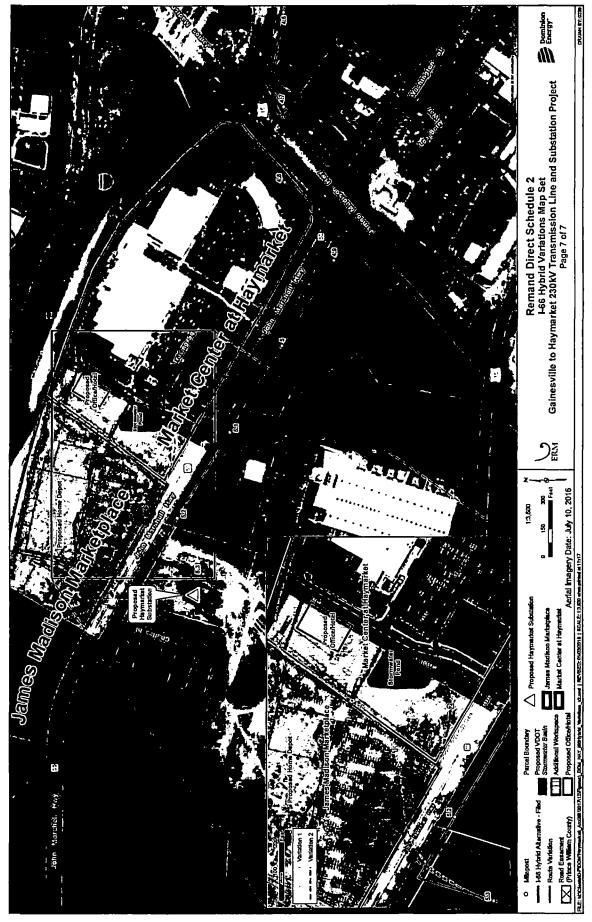


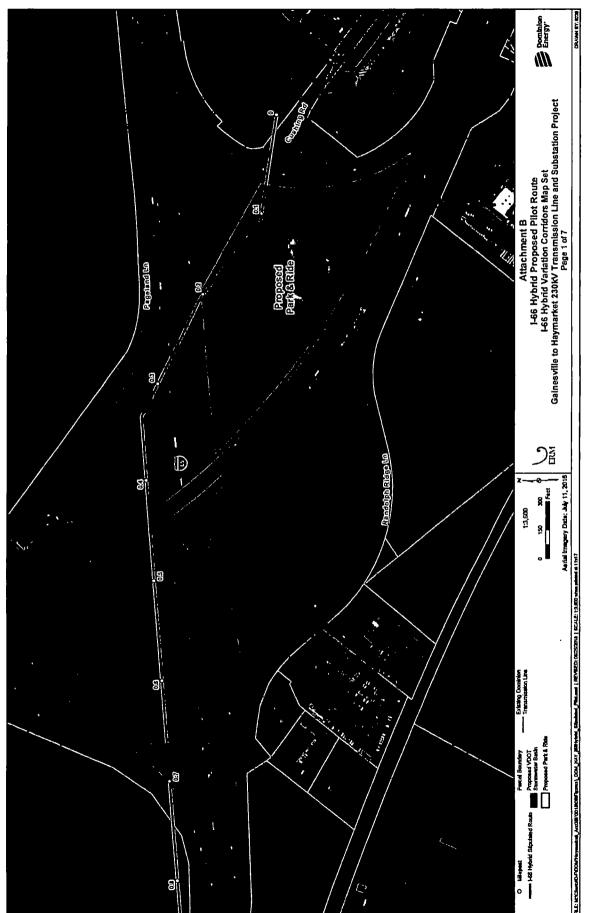


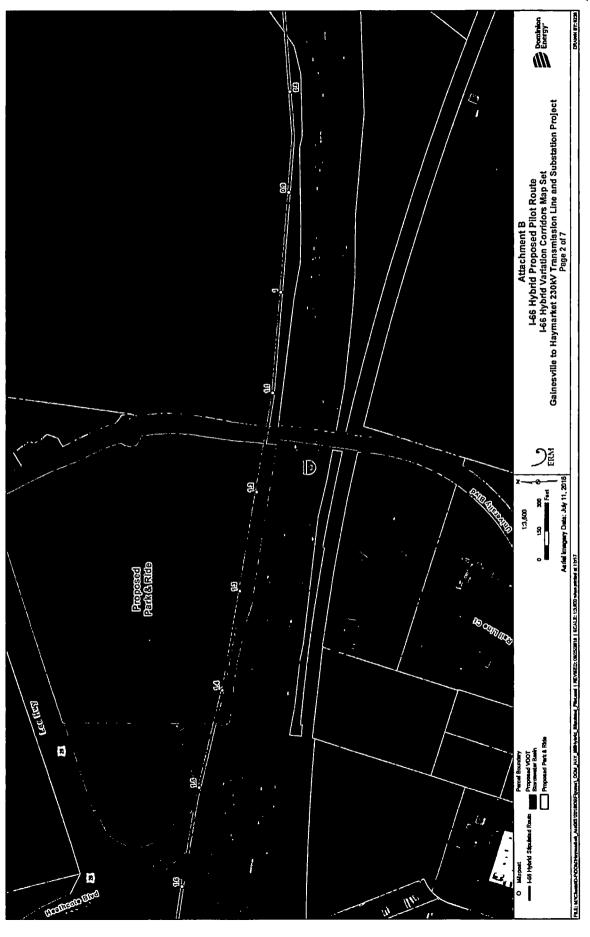




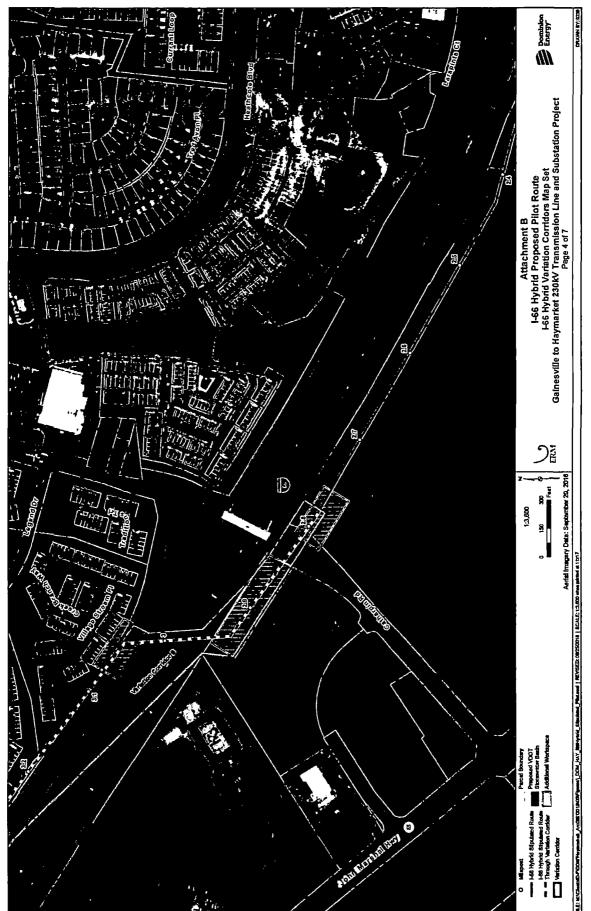


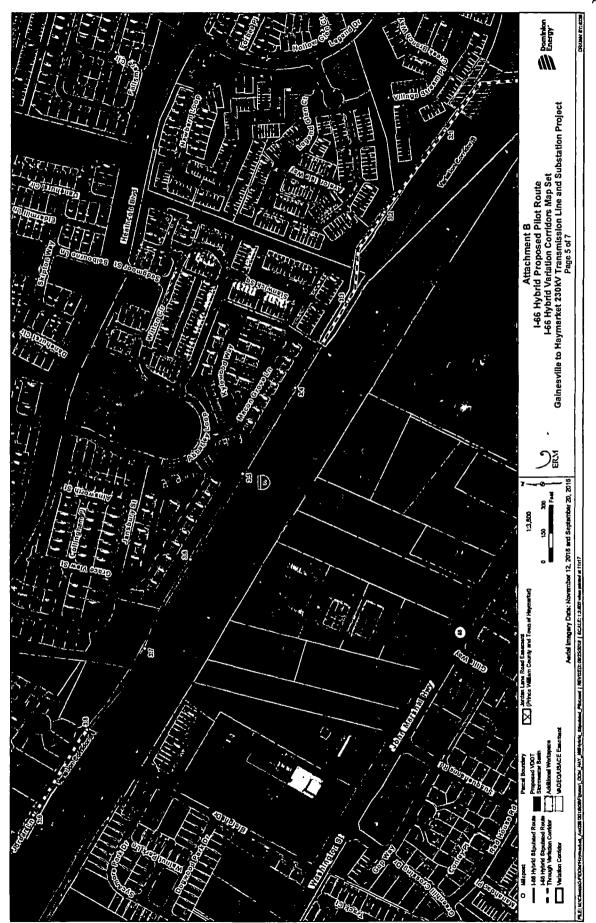


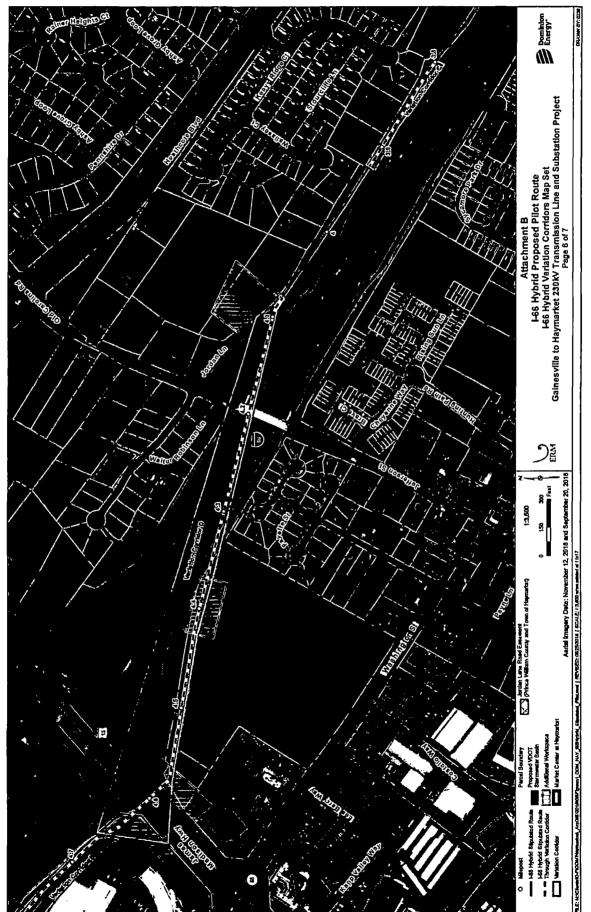


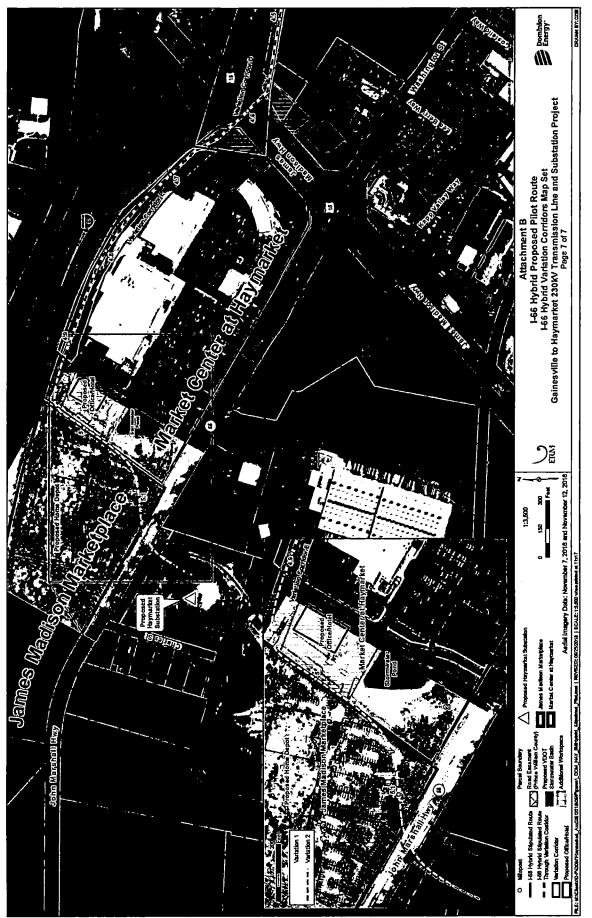












CERTIFICATE OF SERVICE

I hereby certify that on this 2nd day of July, 2018, copies of the foregoing were hand delivered, electronically mailed, and/or mailed first class postage prepaid to the following:

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